Introduced by Senator Wolk

(Coauthor: Assembly Member Williams)

December 1, 2014

An act to add Chapter 2.5 (commencing with Section 1954.201) to Title 5 of Part 4 of Division 3 of the Civil Code, to add Section 17922.14 to the Health and Safety Code, and to add Section 517 to the Water Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

SB 7, as amended, Wolk. Housing: water meters: multiunit structures.

(1) Existing law generally regulates the hiring of dwelling units and, among other things, imposes certain requirements on landlords and tenants. Among these requirements, existing law requires landlords to provide tenants with certain notices or disclosures pertaining to, among other things, pest control and gas meters.

This bill would express the intent of the Legislature to encourage the conservation of water in multifamily residential rental buildings through means either within the landlord's or the tenant's control, and to ensure that the practices involving the submetering of dwelling units for water service are just and reasonable, and include appropriate safeguards for both tenants and landlords.

This bill would define the term "submeter" for these purposes.

(2) The California Building Standards Law provides for the adoption of building standards by state agencies by requiring all state agencies that adopt or propose adoption of any building standard to submit the building standard to the California Building Standards Commission for approval and adoption. Existing law creates the Building Standards

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Administration Special Revolving Fund and requires that funds deposited into the fund be expended, upon appropriation by the Legislature, to carry out specified provisions of law that relate to building standards, with emphasis placed on certain activities relating to green building standards.

This bill would authorize the Department of Housing and Community Development to develop and propose for adoption by the commission building standards that require the installation of water submeters in multiunit residential buildings, as specified. *The bill would exempt specified categories of structures from these building standards*. This bill would provide that moneys in the fund are available to the department, upon appropriation, for administrative costs associated with the development of building standards that require the installation of water submeters in multiunit residential buildings.

(3) The Water Measurement Law requires every water purveyor to require, as a condition of new water service on and after January 1, 1992, the installation of a water meter to measure water service. That law also requires urban water suppliers to install water meters on specified service connections, and to charge water users based on the actual volume of deliveries as measured by those water meters in accordance with a certain timetable.

This bill would define the term "submeter" for purposes of that law. Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 2.5 (commencing with Section 1954.201)
is added to Title 5 of Part 4 of Division 3 of the Civil Code, to read:

Chapter 2.5. Water Service

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1954.201. It is the intent of the Legislature in enacting this chapter to do both of the following:

(a) To encourage the conservation of water in multifamily residential rental buildings through means either within the landlord's or the tenant's control.

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(b) To ensure that the practices involving the submetering of dwelling units for water service are just and reasonable, and include appropriate safeguards for both tenants and landlords.

1954.202. "Submeter" means a device that measures water consumption of an individual rental unit within a multiunit residential structure or mixed-use residential and commercial structure, and that is owned and operated by the owner of the structure or the owner's agent. As used in this section, "multiunit residential structure" and "mixed-use residential and commercial structure" mean real property containing two or more dwelling units.

SEC. 2. Section 17922.14 is added to the Health and Safety Code, to read:

17922.14. (a) During the next regularly scheduled triennial code cycle that commences on or after January 1, 2016, or during a subsequent code adoption cycle, the department may develop and propose for adoption by the California Building Standards Commission, pursuant to Chapter 4 (commencing with Section 18935) of Part 2.5, building standards requiring the installation of water—submeters, as that term is defined by Section 517 of the Water—Code, submeters in multiunit residential—buildings. structures, as those terms are defined in Section 517 of the Water Code.

- (b) (1) The department shall determine whether and under what circumstances the installation of water submeters-are is infeasible and include in the building standards proposed in subdivision (a) the appropriate provision for exemption from this requirement. The department may consider whether there are any issues specific to high-rise multifamily buildings that would require an exemption from the requirement for the installation of water submeters.
- (2) The following categories of structures shall be exempt from the building standards established pursuant to subdivision (a):
- (A) Long-term health care facilities, as defined in Section 1418 of the Health and Safety Code.
- (B) Low-income housing. For the purposes of this subparagraph, "low-income housing" means a residential building that is financed with low-income housing tax credits, tax-exempt mortgage revenue bonds, general obligation bonds, or federal, state, or local loans or grants, for which rents charged to lower income households, do not exceed rents prescribed by deed restrictions or regulatory

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agreements pursuant to the terms of the financing or financial assistance, and for which not less than 90 percent of the dwelling units within the building are designated for occupancy by lower income households. As used in this subparagraph, "lower income households" has the same meaning as defined in Section 50079.5 of the Health and Safety Code.

- (C) Residential care facilities for the elderly, as defined in subdivision (k) of Section 1569.2 of the Health and Safety Code.
 - (D) Student dormitories.

- (E) Time-share property, as defined in subdivision (aa) of Section 11212 of the Business and Professions Code.
- (c) Moneys in the Building Standards Administration Special Revolving Fund established pursuant to Section 18931.7 shall be available, upon appropriation by the Legislature, for the department's administrative costs associated with the development of building standards in accordance with this section.
 - SEC. 3. Section 517 is added to the Water Code, to read:
- 517. "Submeter" means a device that measures water consumption of an individual rental unit within a multiunit residential structure or mixed-use residential and commercial structure, and that is owned and operated by the owner of the structure or the owner's agent. As used in this section, "multiunit residential structure" and "mixed-use residential and commercial structure" mean real property containing two or more dwelling units.